

SCANA

SCANA Corporation
Columbia, SC 29218

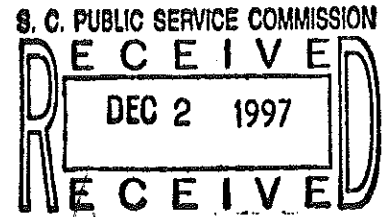


Catherine D. Taylor
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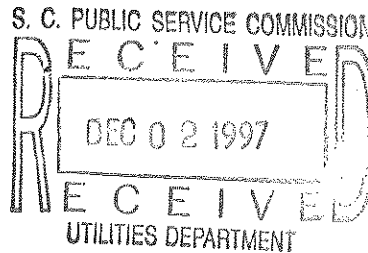


10N 97-501-E

December 2, 1997



Honorable Charles W. Ballentine
Executive Director
S.C. Public Service Commission
Post Office Drawer 11649
Columbia, SC 29201



Dear Mr. Ballentine:

South Carolina Electric & Gas Company ("SCE&G" or "the Company") hereby requests approval of a rider to its Residential Subdivision Street Lighting Rate Schedule. The Company files this request in response to the dissolution of the purported Town of James Island ("Town") as ordered by the South Carolina Supreme Court on November 18, 1996.

As you may know, an attempt to incorporate the Town occurred in late 1992. Subsequent to that date, upon the assumption that the Town existed legally, SCE&G entered into a franchise agreement with the Town dated December 20, 1993, in order to provide street lighting to the Town. Pursuant to the agreement, SCE&G installed in the Town street lighting and other public lighting for the security and benefit of the Town's citizens. The total monthly amount for the lights billed to the Town under the Company's currently approved rates was \$8,833.88.

On February 4, 1997, Circuit Court Judge John C. Hayes, III, ordered the Town's court-appointed receiver to discontinue paying the monthly lighting bill as of March 1, 1997, and further ordered that SCE&G could then directly bill its customers in the Town's former limits for the lighting service.

SCE&G now proposes to bill monthly each residential electric account the charge specified on the attached rider to recover the lighting charge. If approved by the Commission, the Company will annually adjust the monthly charge to recognize any rate changes or cumulative over or under recovery of lighting costs. SCE&G will not begin billing the customers, however, until the balance of the franchise fee received from customers which exceeded the franchise fee prepaid to the purported Town is exhausted. The Company is currently utilizing this excess to pay the monthly bill.



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SCE&G feels that the modifications to the Rate Schedules represents a fair resolution to the situation, will continue the lighting benefit to the customers, and will not result in a revenue increase to the Company. Accordingly, SCE&G respectfully requests Commission approval of the rider to Residential Subdivision Street Lighting Rate Schedule. If you desire further information or assistance regarding this matter, please contact me at your convenience.

Respectfully,

A handwritten signature in cursive script that reads "Catherine D. Taylor". The signature is written in black ink and is positioned below the word "Respectfully,".

Catherine D. Taylor

CDT/kmg

enclosure